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ZONA CORPORATION COMMISSION
Arizona Corporation Commission

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AZ CORP COMMISSION
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IN THE MATTER OF THE JOINT APPLICATION
BETWEEN CITIZENS UTILITIES COMPANY
AND CAP ROCK ENERGY CORPORATION FOR
THE APPROVAL OF THE SALE OF CERTAIN
ELECTRIC UTILITY PROPERTIES IN ARIZONA
AND THE TRANSFER OF THE CERTIFICATE
OF CONVENIENCE AND NECESSITY FROM
CITIZENS TO CAP ROCK.

DOCKET NOS. E-01032A-00-0163
E-01032B-00-0163
E-01032C-00-0163
E-03851A-00-0163

PROCEDURAL ORDER**BY THE COMMISSION:**

Our Procedural Order dated October 17, 2000, suspended the above captioned proceeding at the request of the Applicants. Pursuant to the October 17, 2000 Procedural Order, on November 17, 2000, Cap Rock Energy Corporation ("Cap Rock") and Citizens Communications Company ("Citizens") filed a Clarifying Motion Requesting Continued Suspension Of Proceedings. In their Clarifying Motion Cap Rock and Citizens stated they did not expect to have an amended application ready to be filed for another 30 to 60 days. They requested to report back on the status of the matter in 30 days, at which time they should be able to propose a procedural schedule for going forward.

On November 20, 2000, the Residential Utility Consumer Office ("RUCO") filed a Response to the Clarifying Motion, opposing a continued suspension of the proceedings. RUCO was concerned that the proposed modified application would be substantially different and that RUCO would not have sufficient time to review the new filing. RUCO believed that the parties would not be prejudiced by dismissing the current filing.

On December 4, 2000, the Commission's Utilities Division Staff ("Staff") filed a Response to the Clarifying Motion, stating that Staff preferred that the parties withdraw the currently pending application, but did not oppose continued suspension as long as the Applicants agreed to waive all facets of the timeclock rule, A.A.C. R14-2-212.E.

On December 16, 2000, the Applicants filed a Status Report and Request for

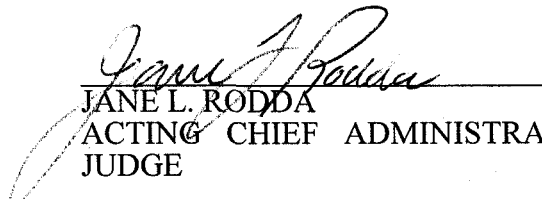
Continued Suspension of Proceedings. The Applicants reported that they continue to make progress on reaching a modified transaction and agreed to report back on the status of the matter in another 30 days. In response to Staff's concerns about the timeclock rule, Cap Rock and Citizens agreed to waive all facets of the timeclock rule set forth in A.A.C. R14-2-212.E. Complete suspension of the timeclock rules would appear to address Staff's and RUCO's concerns.

IT IS THEREFORE ORDERED that the above-captioned matter shall remain suspended, including all facets of the timeclock rule set forth in A.A.C. R14-2-212.E, pending further order.

IT IS FURTHER ORDERED that Cap Rock and Citizens shall file status updates every 30 days.

IT IS FURTHER ORDERED that upon finalization of their modified agreement, Cap Rock and Citizens shall file a proposed procedural schedule.

DATED this 20th day of December, 2000.


JANE L. RODDA
ACTING CHIEF ADMINISTRATIVE LAW
JUDGE

Copies of the foregoing mailed/delivered
this 20th day of December, 2000 to:

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